

The UK's renegotiation: Keeping up appearances

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*How far does the UK's draft renegotiation proposal go in reforming the country's EU membership? **Paul De Grauwe** writes that the deal is largely an exercise in keeping up appearances, with most of the agreed terms making little substantive difference to the UK's terms of membership. He argues that rather than pretending to have achieved real reform, Cameron should follow a strategy of asserting that remaining a member of the EU, as it is today, will be good for Britain.*



A deal between the UK Government and the European Union is in the making. According to Prime Minister Cameron, the deal represents a victory for Britain. It achieves his objective of reforming the European Union. He is now ready to defend keeping Britain in the EU in the upcoming referendum.

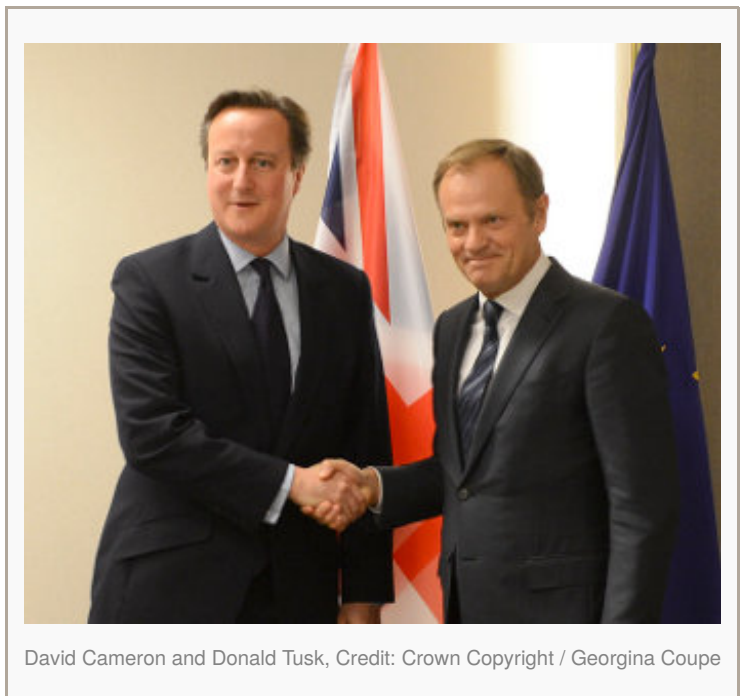
The opposition ridicules all this. According to the Eurosceptics in the Conservative Party, the deal achieved with the EU is not worth the paper on which it is written. The Eurosceptics promise to intensify their opposition against British membership of the EU.

Who is right here? Cameron, who claims to have achieved his objective of fundamental reform of the EU, or the opposition for which the draft agreement between Britain and the EU is just a bad joke? I tend to side with the Eurosceptics here. Cameron has achieved very little. Let's go through the different points of agreement.

Cameron wanted to reduce inward migration from the rest of the EU by letting EU-migrant workers in the UK wait four years before they can enjoy social benefits. He will get it, but he will have to find a qualified majority in the EU to impose such a restriction. The idea that Britain could unilaterally impose this restriction (which was his initial demand) has been shelved. In addition, and more importantly, such a restriction will do nothing to stop immigration in the United Kingdom.

EU-workers are attracted to the UK not because of social benefits, but because of the many job opportunities the UK offers. There are now more than 200,000 French workers in London. None of these have come to London to enjoy UK unemployment benefits that they can also get in France. These French men and women come to London because it offers so much more in terms of job opportunities than Paris does. The same holds for other EU-residents that are attracted to the UK. These people come to work not to benefit from British largesse.

Cameron wanted to be inscribed in stone that the UK will not participate in future programmes of "ever closer union". Here, yes, Cameron got what he wanted. But what is the practical meaning of writing this in a Treaty? The UK has already achieved the right not to be dragged into further union. It is not a member of the Eurozone. It does not participate in Schengen and maintains full control over its own borders. It was accepted by everybody that the UK would not participate in future unification programmes. This "victory" of Cameron is devoid of practical meaning. He could as



well have asked that Britain shall maintain its right to speak English. He would have gotten this and it would have meant nothing.

Cameron wanted to transfer back sovereignty to the British parliament by giving it the right to veto future laws that are decided by the EU. He claims to have achieved his goals: the British parliament will have the right to veto this legislation if it can find a majority of 55 per cent among the EU parliaments. A closer look at this condition reveals that Cameron has not brought back national sovereignty to Westminster.

EU legislation is decided by the Council using a system of qualified majority voting. If the UK government sides with the majority the British parliament will also do. If the UK government is in a minority position in the Council and thus has to accept legislation decided by majority rule, it now has the possibility to let the British parliament oppose this legislation. But this can only be done by finding a majority of 55 per cent of national parliaments. It is hard to see how Britain will successfully be able to revoke EU legislation this way if it failed to block the legislation in the Council in the first place. Again nothing of substance has been achieved by Cameron.

Cameron wanted to ensure that the British taxpayer will not be forced to contribute into future financial rescue operations in the Eurozone. He got this. But here again the UK had acquired this right already. Britain was not forced to participate in any of the financial assistance programmes in the Eurozone.

Finally, Cameron wanted the EU to become more competitive by reducing the amount of regulation. Who could be against this? Every government in the world these days promises to reduce regulations. But inexorably, regulations increase everywhere because people want more regulation. They want healthy food, safe toys for their kids, drugs without toxic side effects, and so on. The deal reached by Cameron will not stop this dynamic.

Summing up: the deal reached by Cameron with the European Union is an exercise in “keeping up appearances” like in the famous British comedy series where Hyacinth Bucket, who insists her name should be pronounced “Bouquet”, constantly pretends what she is not. It would be wrong for Cameron to pretend he has reformed the EU, while he has not. Instead Cameron should follow a strategy in which he stresses that being a member of the EU, as it is today, will be good for Britain.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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